

## Message Text

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ACTION EB-11

INFO OCT-01 IO-14 ISO-00 AGR-20 CEA-02 CIAE-00 COME-00

DODE-00 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06 NSAE-00

NSC-10 PA-04 RSC-01 AID-20 CIEP-02 SS-20 STR-08

TAR-02 TRSE-00 USIA-15 PRS-01 SPC-03 FEA-02 OMB-01

DRC-01 AF-10 ARA-16 EA-11 EUR-25 NEA-11 OIC-04 XMB-07

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R 211815Z JAN 74

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TO SECSTATE WASHDC 3482

INFO USUN NEW YORK 9959

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PASS COMMERCE

E.O. 11652: N/A

TAGS: ETRD, GATT, UNCTAD

SUBJECT: GATT/UNCTAD ITC JOINT ADVISORY GROUP MEETINGS

REF: (A) GENEVA 271

(B) STATE 8874

(C) GENEVA 136

(D) GENEVA 6728

BEGIN SUMMARY: JAG ENDORSED AND BROADENED RECOMMENDATIONS OF TECHCOM ON ADMINISTRATIVE CHANGES, ESTABLISHED WP TO EXAMINE COORDINATION OF ITC ACTIVITY WITH OTHER EXPORT ASSISTANCE BODIES, AND AGREED RETAIN PRESENT SIZE AND FREQUENCY OF MEETINGS OF TECHCOM. COMPOSITION OF TECHCOM UNCHANGED FOR NOW. END SUMMARY

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1. DURING JANUARY 15-18 SESSION OF JOINT ADVISORY GROUP OF

GATT/UNCTAD INTERNATIONAL TRADE CENTER, WORK PROGRAM CONTAINED ITC/AG (VII)32 WAS RECOMMENDED. HOWEVER, DELEGATIONS WERE PREOCCUPIED WITH ADMINISTRATIVE ARRANGEMENTS, PER REFTEL (A). FINAL CONCLUSIONS OF JAG EMBODIED CRISP RECOMMENDATIONS BASED ON TECHCOM REPORT FOR SUB-ALLOTMENT OF UNDP PROJECTS TO ITC AND RETURN TO GENERAL PROCEDURES OF CW 212 AS ANTICIPATED BY REFTEL (A). HOWEVER, AS DESIRED BY REFTEL (B), FINAL DECISION ON ADMINISTRATIVE PROCEDURES IS TO BE DEFERRED TO GATT COUNCIL AND TDB OF UNCTAD, AFTER CONSULTATION BETWEEN SECRETARIATS OF ITC, GATT AND UNCTAD.

2. THERE WAS GENERAL FEELING IN JAG THAT ADMINISTRATIVE MATTERS SHOULD NOT NORMALLY OCCUPY SO MUCH TIME OF BOTH JAG AND TECHCOM BUT THAT DETERIORATION IN ITC EFFICIENCY CAUSED BY RECENT ADMINISTRATIVE CHANGES COMPELLED THIS EXTRAORDINARY ATTENTION. NO SUPPORT WAS EVIDENCED FOR ANY MOVE TO MAKE ITC AUTONOMOUS (EXCEPT INFORMALLY BY BRAZIL), A STATE WHICH IS OPPOSED EVEN BY ITC DIRECTORATE, AND JAG CONCERNED ITSELF SOLELY WITH RECOVERY OF OPERATING EFFICIENCY OF CENTER. TEXT OF MAJOR CONCLUSIONS ON ADMINISTRATIVE AND FINANCIAL ARRANGEMENTS FOR CENTER AS FOLLOWS:

BEGIN TEXT

(A) THE SECRETARIA TO THE UNITED NATIONS, INCLUDING UNCTAD, AS WELL AS THE SECRETARIATS OF GATT AND THE ITC (BY JULY.), SHOULD UNDERTAKE CONSULTATIONS TO FORMULATE PROPOSALS FOR ADMINISTRATIVE AND FINANCIAL ARRANGEMENTS FOR THE CENTRE WHICH WILL MEET, UNLESS IT IS CLEARLY NOT FEASIBLE TO DO SO, THE RECOMMENDATIONS OF THE TECHNICAL COMMITTEE OF THE JOINT ADVISORY GROUP ON THE SUBJECT.

(B) THE PRIMARY CONSIDERATION TO BE BORNE IN MIND IN THESE CONSULTATIONS MUST BE TO FACILITATE TO THE UTMOST THE ABILITY OF THE CENTRE TO IMPLEMENT ITS APPROVED PROGRAMME OF ASSISTANCE TO DEVELOPING COUNTRIES. THE BASIS GUIDELINES FOR THE FORMULATION OF THESE PROPOSALS SHOULD BE THE ADMINISTRATIVE ARRANGEMENTS PROPOSED BY THE EXECUTIVE HEADS OF UNCTAD AND GATT IN GATT DOCUMENT C/W 212.

(C) THE NEW ARRANGEMENTS TO BE PROPOSED BY THE SECRETARIATS  
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SHOULD TAKE INTO ACCOUNT THE MEDIUM AND LONGER TERM OPERATIONAL NEEDS OF THE CENTRE'S EXPANDING TECHNICAL ASSISTANCE PROGRAMME, AND NOT MERELY BE DIRECTED TO THE SOLUTION OF CURRENT PROBLEMS.

(D) WHILE THE CENTRE OPERATES WITHIN THE ESTABLISHED PARAMETERS OF THE UN COMMON SYSTEM OF ADMISTRATIVE PROCEDURES, IT IS NOT A UN AGENCY, HAVING BEEN CREATED BY THE GATT AND NOW BEING JOINTLY SPONSORED BY THE GATT AND UNCTAD. WITH RESPECT

TO THE REGULATIONS AND RULES WHICH SHOULD GOVERN THE ITC, EVER  
EFFORT SHOULD BE MADE TO RELATE THEM TO THE SPECIAL  
OPERATIONAL REQUIREMENTS OF THE CENTRE AS A JOINT UNCTAD/GATT  
ORGAN. THE POLICY GUIDANCE AND CONTROL PROPERLY EXERCISED BY  
UNCTAD AND GATT SHOULD NOT BE EXERCISED IN SUCH A MANNER AS TO  
HAMPER THE DAY TO DAY WORK OF THE CENTRE, ESPECIALLY IN THE  
IMPLEMENTATION OF ASISTANCE PROJECTS.

(E) THE RECOMMENDATIONS ARISING FROM THESE INTERSECRETARIAT  
CONSULTATIONS SHOULD BE SUBMITTED TO THE GATT COUNCIL AND TO THE  
TRADE AND DEVELOPMENT BOARD OF UNCTAD FOR APPROVAL BEFORE BEING  
FINALIZED.BASSIN

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ACTION EB-11

INFO OCT-01 IO-14 ISO-00 AGR-20 CEA-02 CIAE-00 COME-00

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(F) THE GROUP AGREED, ON THE BASIS OF THE TECHNICAL  
COMMITTEE'S RECOMMENDATION, THAT AS A GENERAL RULE, UNDP  
FINANCED PROJECTS IN THE FIELD OF TRADE PROMOTION SHOULD BE  
SUB-ALLOTTED BY UNCTAD TO THE CENTRE, IN ACCORDANCE

WITH THE DESIGNATED ROLE OF THE CENTRE AS THE FOCAL POINT FOR ALL UNITED NATIONS ASSISTANCE IN THE FIELD OF TRADE PROMOTION. THE GROUP FURTHER RECOMMENDED THAT THE SECRETARIATS OF UNCTAD, GATT AND ITC SHOULD TAKE THIS ACCOUNT IN EVOLVING ADMINISTRATIVE ARRANGEMENTS FOR THE IMPLEMENTATION OF UNDP FINANCED PROJECTS IN THE FIELD OF TRADE PROMOTION.

(G) WHILE THE SECRETARIATS MAY EFFECT ANY IMPROVEMENTS IN THE PRESENT ARRANGEMENTS ON A TEMPORARY BASIS, NO FINAL ACTION ON TRANSFER OF RESPONSIBILITIES OR CREATION OF NEW STAFF RESOURCES SHOULD TAKE PLACE WHICH MAY PREJUDICE THE APPROVAL BY BY THE GOVERNING BODIES CONCERNED OF SUCH FINAL ADMINISTRATIVE LIMITED OFFICIAL USE

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AND FINANCIAL ARRANGEMENTS FOR THE CENTRE AS THEY DEEM APPROPRIATE.  
END TEXT.

3. IN ADDITION, JAG ASKED GOVERNING BODIES OF ITC CONSIDER GIVING ITC HIGHER LEVEL OF OVERHEADS ON TECHNICAL ASSISTANCE PROJECTS THAN AT PRESENT IN ORDER RELEASE REGULAR ITC BUDGET RESOURCES FOR THEIR PROPER PURPOSES.

4. ECOSOC RESOLUTION 1819. JAG SET UP WORKING PARTY ON ECOSOC RESOLUTION 1819 (LV), PER ITC/AG/VII/L/1, TO EXAMINE TRADE PROMOTION ACTIVITIES OF VARIOUS INTERNATIONAL AGENCIES AND PROPOSE MEASURES WHICH WOULD ENABLE ITC TO DISCHARGE FULLY ITS RESPONSIBILITY AS FOCAL POINT FOR ALL UN ASSISTANCE IN THE FIELD OF TRADE PROMOTION. THIS PARTICULARLY TO INCLUDE EXAMINATION OF RELATION TO UNIDO. WP TO SUBMIT REPORT TO MEMBERS OF JAG BY END SEPTEMBER 1974. MEMBERSHIP: BRAZIL, EGYPT, WEST GERMANY, INDIA, NIGERIA, SWEDEN, UNITED STATES, USSR; WP TO MEET INFORMALLY IN GENEVA IN VARIOUS SESSIONS DURING COMING MONTHS. ACTION REQUESTED: SUGGEST MISSION OFFICER W. E. SPRUCE BE DESIGNATED REPRESENT US ON CONTINUING BASIS THROUGH THIS PERIOD. WHEN DATE OF FIRST SESSION KNOWN, MISSION WILL REPORT ON ANTICIPATED FRAMEWORK AND SEEK SPECIFIC INSTRUCTIONS.

5. FUTURE TECHCOMS. JAG AGREED TO RETAIN ANNUAL MEETINGS FOR BOTH TECHCOM AND JAG AND REJECTED PROPOSALS IN REFTEL (D). TECHCOM MEMBERSHIP CEILING OF 18 AND CURRENT GEOGRAPHICAL BALANCE BETWEEN NINE LDCS, SIX DEVELOPED MARKET ECONOMY COUNTRIES, AND THREE SOCIALIST COUNTRIES ALSO TO BE KEPT. SPECIFIC MEMBERSHIP COMPOSITION AMONG SIX MARKET ECONOMY DCS UNRESOLVED, AND JAG AGREED STATUS QUO REIGNS IN ABSENCE SOLUTION. US DEL OPPPOSED ALL SCHEMES WHICH WOULD HAVE REQUIRED US TO ROTATE OWN MEMBERSHIP. HOWEVER, US REP (SMITH) WAS ACTIVE IN PROPOSING ALTERNATE FORMULAE, AND US WAS ABLE TO LEAVE POSITIVE IMPRESSION OF OVERALL COOPERATIVE ATTITUDE. CHAIRMAN (MOEREL) WILL CONTINUE CONSULT WITH MEMBERS IN GENEVA, BUT ALL PROPOSALS MUST BE SUBMITTED TO JAG NEXT YEAR.

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TECHNICAL ASSISTANCE, TRADE PROMOTION, LESS DEVELOPED COUNTRIES, ECONOMIC COOPERATION, EXPORTS, TRADE CENTERS, MEETING DELEGATIONS  
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**Copy:** SINGLE  
**Draft Date:** 21 JAN 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
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**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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**Disposition History:** n/a  
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**Disposition Remarks:**  
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**Office:** ACTION EB  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
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**Subject:** GATT/UNCTAD ITC JOINT ADVISORY GROUP MEETINGS  
**TAGS:** ETRD, GATT, UNCTAD  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005